



"Come good times or bad, there is always a market for things nobody needs."

-- "Kin" Hubbard

Purchasing Update

Division of Purchasing, Idaho Department of Administration

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Revised Purchasing Publications Update

Revised Chapters 20 -25 are now available for you to download and replace in your *Purchasing Reference Guide* binder. Note that Chapter 24 *Terms and Conditions* is still being revised at this time and will be available in the near future. *Appendix A-2 Reciprocal Preference Information* contains the newest information on state's preferences for 2002. The only major change that might affect Idaho is that Montana has removed all preferences (formerly they had a 5-8% preference).

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To access these publications go to <http://www2.state.id.us/adm/purchasing>, click on "Agency Info" and then on "Publications" or "What's New."

State Employees Receive CPPB Designation

Congratulations to the following state employees who were recently awarded the Certified Professional Public Buyers (CPPB) certification designation:

Bob Perkins, Sr. Buyer, DEQ
Tina Klamt, Grants/Contracts Officer, DEQ
Chris Morenas, Buyer, DHW
Bud Smith, Supply Operations Supervisor, SHS
Frank Pierce, Purchasing Training Officer, DOP
Lyle Gessford, Purchasing Officer, DOP
Pearl Smith, Buyer, DOP
Aaron Wolter, Buyer, DOP
Elaine Ricketts, Buyer, DOP

The accomplishment of the prestigious CPPB designation is an honor for individuals in the public purchasing profession. CPPB candidates must meet specific rigorous criteria established by the Universal Public Purchasing Certification Council (UPPCC) including current employment, education, training in purchasing related subjects, and public purchasing experience. A comprehensive examination validates the candidate's mastery of the body of knowledge required for public purchasing professionals.

Stephen Gordon, Ph.D., CPPO, President of NIGP states, "Professional certification of a governmental purchasing official as a certified Professional Public Buyer (CPPB) inspires public confidence that tax dollars and other public funds will be spent wisely and well. It indicates that the individual who has earned this designation possesses the knowledge that is required to function effectively in the complex and fast-changing world of public procurement. The effort alone required to achieve professional certification as a CPPB demonstrates a commitment to excellence in public service."

Purchase Order Designations

The Division of Purchasing issues Purchase Orders (PO), Contract Purchase Orders (CPO), Blanket Purchase Orders (BPO), Statewide Blanket Purchase Orders (SBPO), Sole Source Authorization (SSA), and Emergency Purchase Authorization (EPA). Pay particular attention to the explanations of SSA and EPA as these are now being used differently than in the past. These designations are defined and explained as follows:

PO A Purchase Order. The standard PO is used to place single one-time orders for products. PO's are issued by the Division of Purchasing on behalf of an agency as a result of a solicitation or from a sole source or emergency request.

CPO A Contract Purchase Order. A CPO is used for leases, rentals, services, maintenance agreements, purchase agreements, and time purchases. The CPO is intended to cover recurring transactions such as monthly invoices, or scheduled deliveries where you don't issue a new agency purchase order every time. CPO's are issued by the Division of Purchasing on behalf of a single agency.

BPO A Blanket Purchase Order. A designation used for single agency term or requirement contracts (Indefinite Delivery - Indefinite Quantity type) and price agreements. Blanket Purchase Orders are contracts that establish basic ordering procedures, terms and conditions, and pricing. The agency then issues individual purchase orders to the vendor against the BPO when supplies or services are needed. BPO's result from bids issued by the Division of Purchasing on behalf of a single agency.

SBPO Same as BPO above, but this means Statewide Blanket Purchase Order. SBPO's result from bids issued by the Division of Purchasing on behalf of multiple agencies.

SSA A Sole Source Authorization. In most cases the Division of Purchasing will issue a standard PO or CPO on behalf of an agency that has requested that a purchase be a sole source. However, in cases where an agency is granted the permission to issue it's own order to the vendor, the Division of Purchasing will issue a Sole Source Authorization (SSA) documenting the granted authority. The agency will be listed as the "vendor" on a SSA and comments will be included detailing the granted purchasing authority. The SSA will go to the agency (as vendor) and not be sent to the actual vendor.

EPA An Emergency Purchase Authorization. Whenever possible the Division of Purchasing will issue a standard PO or CPO on behalf of an agency that has requested an emergency purchase. However, in cases where an agency is granted the permission to issue it's own order to the vendor, the Division of Purchasing will issue an Emergency Purchase Authorization (EPA) to document the granted authority. Just like a SSA, the EPA will be issued to the agency as a "vendor" and will not be sent to the actual vendor.

Late Fees – Finance Charges

Are state agencies obligated to pay late fees and/or finance charges? Yes, agencies could be liable for late fees and finance charges from vendors. It depends upon the terms of the contract/purchase order. Solicitations can either allow a bidder to submit his payment terms or can define what the terms are in the specifications. Late payments are subject to regular late fees unless specifically addressed in the terms of the solicitation. However, if no terms are identified by the solicitation, vendor response, or resulting contract or purchase order, Idaho Code 67-5735 applies, which states:

Within ten (10) days after the property acquired is delivered as called for by the bid specifications, the acquiring agency shall complete all processing required of that agency to permit the contractor to be reimbursed according to the terms of the bid. Within ten (10) days of receipt of the documents necessary to permit reimbursement of the contractor according to the terms of the contract, the state controller shall cause a warrant to be issued in favor of the contractor and delivered. Contracts let or entered into by or through the division of purchasing are exempt from the provisions of section 67-2302, Idaho Code [which allows for 60 days]; provided, however, that late contract payments may be assessed interest by the vendor at the rate set forth in section 63-3045, Idaho Code [sets the rate at 2%], unless another rate is established by contract.

In summary, the terms of the solicitation, contract, or purchase order apply first, such as: 30 days, 60 days, 90 days, upon acceptance of goods, upon completion of project, etc. If not specified, then the 20 days terms of I.C. 67-5735 apply. Late payments are subject to late fees and or finance charges from vendors and are the responsibility of the agency to pay.

Some vendors offer discounted pricing for early payment. Unless we specifically address that issue in the solicitation we do not consider it when making an award. However, agencies are always encouraged to take advantage of the provision if offered by a vendor.